

# In the right place at the right time



Letter to shareholders  
May 31<sup>st</sup>, 2023



Dear shareholders,

We have been managing Visiomed Group since April 2022. The last 13 months were a pivotal time where the Group has reached financial stability and sustainable profitability.

**Various strategic and operational milestones were achieved:**

- For Smart Salem, with the opening of the second center in DIFC in September 2022, the third center in Dubai Knowledge Park in March 2023 and the launch of new diagnostics services;
- For BewellConnect, through the creation of Bewellthy in January 2023, newly created entity supported by a majority shareholder in charge of driving its development;
- For the Group's expansion plans, with the creation of a Joint Venture that will bring together Visiomed's operations in Saudi Arabia, in association with Abrar and Al-Ghazzawi Group, in February 2023.

**From a financial standpoint, we broke with the past** and put an end to the use of equity lines financing while structuring new resources within the Group. This has allowed Visiomed to launch an accretive share buyback program after years of significant dilution.

**We are now building 2023 and the future of Visiomed Group on these foundations with a strong focus on the Middle East**, a region with booming economic and population growth and a significant rise of foreign direct investments. The United Arab Emirates posted a 7.6% GDP growth in 2022, while Saudi Arabia exhibits the highest GDP growth among G20 countries. We are therefore in the right place at the right time.

**Visiomed Group's know-how and technology give us a considerable edge** in terms of automation and health data processing, reliability and speed of execution of medical testing, operational experience and depth of service offering. We intend to build on these strengths to continue developing our platform and quickly enter new markets.

**The Group has started diversifying its service offering during the second quarter of 2023:** Smart Salem centers now offer new services dedicated to occupational health, visa services for household employees and soon biometric data collection. Our strategy is to aggregate under one umbrella all adjacent administrative medical screening tests required by UAE authorities, known as "for purpose medical screening".

Beyond mandatory medical screening services, **Smart Salem now offers personalized and comprehensive wellness tests**, a first step in the buoyant segment of preventive care that we believe is the future of the healthcare sector.



**Our geographical expansion plan is ambitious.** We are building on the region's momentum, and we intend to enter new markets quickly by exporting our fully integrated multi-service model. First in Saudi Arabia with our partners, and subsequently in other countries. The demand is high both in the Middle East and beyond.

**Visiomed Group's agility and fast development are made possible by a healthy balance sheet and the sustained growth of medical tests done by Smart Salem centers.** Driven by the ramp-up of the DIFC and Dubai Knowledge Park centers, the daily average number of tests increased from 333 in 2022 to 445 in Q1 2023 and will come close to 500 daily tests in May. We aim to reach an average of 750 tests per day during the last months of the year and we are targeting a growth of over 50% versus 2022. We will then continue to make all efforts to grow towards maximum capacity (2,000 tests per day).

**On the back of its strong and dynamic growth, Smart Salem's financial performance and profitability must be assessed on an annualized basis:**

- A daily average of 750 tests (target for 2023 year-end) would result in a potential normalized and annualized EBITDA of around USD 14 million;
- A daily average of 1,000 tests would result in a potential normalized and annualized EBITDA of around USD 20 million;
- A daily average of 2,000 tests (maximum capacity) would result in a potential normalized and annualized EBITDA of around USD 46 million<sup>1</sup>.

These fundamental points along with our expansion plans are explained in more detail in the new investor presentation that is available on Visiomed Group website or by **clicking here**.

We hope it will prove useful to you and strengthen your view about the Group. We formally invite you to attend our General Meeting on June 14<sup>th</sup>, 2023, which will be an opportunity for us to interact directly with our shareholders. Visiomed Group is moving fast, and we wish to maintain that growth trajectory with you on our side.

Thank you for your trust.

**Guillaume Bremond** – Chairman of the Board, Visiomed Group

**Thomas Picquette** – Chief Executive Officer, Visiomed Group

<sup>1</sup> USD/AED pegged exchange rate = 3.673